

December 4, 2019

VIA ELECTRONIC FILING

The Honorable Jocelyn G. Boyd
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29211

RE: Friends of the Earth and Sierra Club, Complainant/Petitioner v.
South Carolina Electric & Gas Company, Defendant/Respondent
Docket No. 2017-207-E

Request of the Office of Regulatory Staff for Rate Relief to South
Carolina Electric & Gas Company's Rates Pursuant to S.C. Code
Ann. § 58-27-920
Docket No. 2017-305-E

Joint Application and Petition of South Carolina Electric & Gas
Company and Dominion Energy, Incorporated for Review and
Approval of a Proposed Business Combination between SCANA
Corporation and Dominion Energy, Incorporated, as May Be
Required, and for a Prudency Determination Regarding the
Abandonment of the V.C. Summer Units 2 & 3 Project and
Associated Customer Benefits and Cost Recovery Plans
Docket No. 2017-370-E

(This filing does not involve any change to the retail electric base
rates of Dominion Energy South Carolina, Inc.)

Dear Ms. Boyd:

By letter dated May 14, 2019, Dominion Energy South Carolina, Inc. ("DESC" or "Company") informed the Public Service Commission of South Carolina ("Commission") that it had entered into a services agreement with Virginia Electric and Power Company ("DEV") for the purpose of sharing knowledge, expertise, and best practices in the area of nuclear generation operations. Additionally, DESC informed the Commission that the Company would provide and receive certain other enumerated services on an as-needed basis. A copy of the services agreement was filed in the above-referenced dockets.

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On behalf DESC, I am writing to inform the Commission that DESC and DEV have expanded the scope of its existing services agreement for the purpose of sharing knowledge, expertise, and best practices in the areas of (i) non-nuclear generation services, (ii) transmission services, and (iii) distribution services. These services are more fully described in Exhibit I to the services agreement in Paragraph 9 entitled "Operations."

Additionally, DESC and DEV have identified the need to exchange emergency services on an as-needed basis, consistent with the emergency services exchanged by member utilities under the Southeast Electric Exchange's Mutual Assistance Program. These services are more fully described in Exhibit I to the services agreement in Paragraph 10 entitled "Emergency Services."

For the services that DESC intends to provide and for the services that DESC intends to receive, these services will be charged in accordance with the provisions of Order No. 2018-804 as set forth in the services agreements.

Enclosed for filing only in the above-referenced dockets is a copy of the affiliate services agreements between DESC and DEV dated November 15, 2019. This agreement complies with all terms of the merger between SCANA Corporation and Dominion Energy, Inc. required in Order No. 2018-804 as well as S.C. Code Ann. § 58-27-2090 (2015).

By copy of this letter, we are providing a copy of this agreement to the parties of record in the above-referenced dockets.

If you have any questions or concerns, please do not hesitate to contact us.

Very truly yours,


K. Chad Burgess

KCB/kms

cc: All parties in Docket No. 2017-207-E
All parties in Docket No. 2017-305-E
All parties in Docket No. 2017-370-E
(all via electronic mail only w/enclosure)

DEV and DESC Services Agreement

This Services Agreement (this "Agreement") is entered into as of the 15th day of November, 2019, by and between VIRGINIA ELECTRIC AND POWER COMPANY, a Virginia public service corporation ("DEV"), and DOMINION ENERGY SOUTH CAROLINA, INC., a South Carolina public service corporation ("DESC") (each a "Service Provider" and a "Service Recipient").

WHEREAS, each of DEV and DESC is a direct or indirect wholly-owned subsidiary of Dominion Energy, Inc., a Virginia corporation and a "holding company" as defined in the Public Utility Holding Company Act of 2005 that is subject to regulation as such under that Act by the Federal Energy Regulatory Commission ("Dominion");

WHEREAS, DEV is an electric utility engaged in the sale of electric service at retail within its service territories in Virginia and North Carolina and at wholesale within those territories and elsewhere in the United States;

WHEREAS, DESC is an electric utility engaged in the sale of electric and natural gas service at retail within its service territory in South Carolina;

WHEREAS, DEV believes that it is in the interest of DEV to provide for an arrangement whereby DEV may, from time to time and at the option of DEV, agree to purchase such administrative, management and other services as set forth in Exhibit I hereto from DESC;

WHEREAS, DESC believes that it is in the interest of DESC to provide for an arrangement whereby DESC may, from time to time and at the option of DESC, agree to purchase such administrative, management and other services as set forth in Exhibit I hereto from DEV;

WHEREAS, DESC is an "affiliated interest" of DEV within the meaning of the Utility Affiliates Act, Chapter 4 of Title 56 of the Code of Virginia, and therefore contracts and arrangements for the exchange of services between DEV and DESC are subject to approval of the Virginia State Corporation Commission ("SCC");

WHEREAS, DESC is an affiliate of DEV and therefore certain types of contracts between DESC and DEV are subject to the requirements of North Carolina G.S. § 62-153 and are subject to approval of the North Carolina Utilities Commission ("NCUC"); and

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

I. SERVICES OFFERED. Exhibit I hereto describes all of the services that are available, to the extent selected on Exhibit II, from the Service Provider. The Service Provider hereby offers to supply those services and related data and information described in Exhibit IV to

the Service Recipient. Such services are and will be provided to the Service Recipient only at the request of the Service Recipient.

II. INITIAL SERVICES SELECTED. Exhibit II lists the services from Exhibit I that (i) each Service Recipient hereby agrees to receive from each Service Provider and (ii) that each Service Provider hereby agrees to provide to each Service Recipient.

III. PERSONNEL. The Service Provider will provide services by utilizing the services of such executives, accountants, financial advisers, technical advisers, attorneys, engineers, geologists and other persons as have the necessary qualifications.

If necessary, the Service Provider, after consultation with the Service Recipient, may also arrange for the services of nonaffiliated experts, consultants and attorneys in connection with the performance of any of the services supplied under this Agreement.

Use of affiliated company personnel shall be subject to federal and state codes and standards of conduct, as applicable.

IV. COMPENSATION. As and to the extent required by law, DEV and DESC will provide such services at cost. Exhibit III describes the rules and methods for determining the cost of the Service Provider that will be charged to the Service Recipient.

V. EFFECTIVE DATE. This Agreement is effective as of November 15, 2019 (the "Effective Date").

VI. TERM. This Agreement shall commence on the Effective Date and shall remain in effect until April 18, 2021, unless terminated earlier pursuant to Section VII(C).

VII. TERMINATION AND MODIFICATION.

A. Modification of Services. Each Service Recipient may modify its selection of services at any time during the calendar year by giving the Service Provider written notice of the additional services it wishes to receive, and/or the services it no longer wishes to receive, in Exhibit I from the Service Provider. The requested modification in services shall take effect on the first day of the first calendar month beginning at least thirty (30) days after the Service Recipient sent written notice to the Service Provider.

B. Modification of Other Terms and Conditions. No other amendment, change or modification of this Agreement shall be valid, unless made in writing and signed by all parties hereto.

C. Termination of this Agreement. DEV may terminate this Agreement by providing sixty (60) days advance written notice of such termination to DESC. DESC may terminate this Agreement by providing sixty (60) days advance written notice of such termination to DEV.

This Agreement shall be subject to the approval of any state commission or other state regulatory body whose approval is, by the laws of said state, a legal prerequisite to the execution and delivery or the performance of this Agreement.

VIII. NOTICE. Where written notice is required by this Agreement, said notice shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

a. To DEV:

Virginia Electric and Power Company
120 Tredegar Street
Richmond, VA 23219

With a Copy to:

Dominion Energy Services, Inc.
Law Department – Riverside 2
120 Tredegar Street
Richmond, VA 23219
Attention: Managing Counsel and State Regulatory Team

b. To DESC:

Dominion Energy South Carolina, Inc.
220 Operation Way
Cayce, SC 29033

With a Copy to:

Dominion Energy Services, Inc.
Law Department – Riverside 2
120 Tredegar Street
Richmond, VA 23219

Attention: Managing Counsel and State Regulatory Team

IX. GOVERNING LAW. This Agreement shall be governed by and construed in accordance with the laws of Virginia, without regard to its conflict of laws provisions.

X. ENTIRE AGREEMENT. This Agreement, together with its exhibits, constitutes the entire understanding and agreement of the parties with respect to its subject matter, and effective upon the execution of this Agreement by the respective parties hereof and thereto, any and all prior agreements, understandings or representations with respect to this subject matter are hereby terminated and cancelled in their entirety and are of no further force and effect.

XI. WAIVER. No waiver by any party hereto of a breach of any provision of this Agreement shall constitute a waiver of any preceding or succeeding breach of the same or any other provision hereof.

XII. ASSIGNMENT. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns. No assignment of this Agreement or any party's rights, interests or obligations hereunder may be made without the other party's consent, which shall not be unreasonably withheld, delayed or conditioned; provided, however, that, subject to the requirements of applicable state and federal regulatory law, either party may assign its rights, interests or obligations under this Agreement to an "affiliated interest," without the consent of the other party.

XIII. SEVERABILITY. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired thereby.

XIV. STATE COMMISSION APPROVALS.

A. VSCC Approval. Pursuant to the Virginia State Corporation Commission ("VSCC") Order Approving Merger in Joint Petition for Dominion and Consolidated Natural Gas Company for Approval of Agreement and Plan of Merger under Chapter 5 of Title 56 of the Code of Virginia, Case No. PUA-1999-00020, issued on September 17, 1999, neither Virginia Electric and Power Company nor any other affiliate of Dominion subject to the jurisdiction of the Commission shall have any obligation under this Agreement except to the extent such Commission has approved such obligation.

B. NCUC.

(i) Virginia Electric and Power Company, d/b/a Dominion Energy North Carolina's ("DENC") participation in this Agreement is voluntary, DENC is not obligated to take or provide services or make any purchases or sales pursuant to this Agreement, and DENC may elect to discontinue its participation in this Agreement at its election after giving any required notice;

(ii) DENC may not make or incur a charge under this Agreement except in accordance with North Carolina law and the rules, regulations, and orders of the North Carolina Commission promulgated thereunder;

(iii) DENC may not seek to reflect in rates any (A) costs incurred under this Agreement exceeding such amount as may be allowed by the North Carolina Commission or (B) revenue level earned under this Agreement less than the amount imputed by the North Carolina Commission; and

(iv) DENC will not assert in any forum that the North Carolina Commission's authority to assign, allocate, make pro-forma adjustments to or disallow revenues and costs for retail ratemaking and regulatory accounting and reporting purposes is preempted

and will bear the full risk of any preemptive effects of federal law with respect to this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above mentioned.

VIRGINIA ELECTRIC AND POWER COMPANY

By Thomas P. Wohlfarth
Thomas P. Wohlfarth
Senior Vice President – Regulatory Affairs

DOMINION ENERGY SOUTH CAROLINA, INC.

By W. Keller Kissam
W. Keller Kissam
President – Electric Operations

EXHIBIT I**DESCRIPTION OF SERVICES**

1. Accounting. Provide advice and assistance to Dominion Companies in accounting matters (development of accounting practices, procedures and controls, the maintenance of the general ledger and related subsidiary systems, the preparation and analysis of financial reports, and the processing of certain accounts such as accounts payable, accounts receivable, and payroll).

2. Information Technology, Electronic Transmission and Computer Services. Provide the organization and resources for the operation of an information technology function (development, implementation and operation of a centralized data processing facility and the management of a telecommunications network, and the central processing of computerized applications and support of individual applications in Dominion Companies). Develop, implement, and process those computerized applications for Dominion Companies that can be economically best accomplished on a centralized basis. Develop, implement, and process information technology risk management services and services for the secure protection and transmission of critical and sensitive data.

3. Nuclear Operations. Advise and assist Dominion Companies in the following matters relating to operational capacity: (i) the preparation and coordination of studying, consulting, planning, designing, inspecting and engineering and construction of plant facilities of each Dominion Company and of the Dominion Companies as a whole, (ii) the planning, engineering (including maps and records) and construction operations of Dominion Companies, and (iii) the performance of operations support services, plant and facilities operation, generation outage support, and maintenance and management services. Develop long-range operational programs for Dominion Companies and advise and assist each such Dominion Company in the coordination of such programs with the programs of the other Dominion Companies, subject to federal and state codes and standards of conduct, as applicable. Manage Dominion Companies' purchase, movement, transfer, and accounting of nuclear fuel.

4. Executive and Administrative. Advise and assist Dominion Companies in the solution of major problems and in the formulation and execution of the general plans and policies of Dominion Companies. Advise and assist Dominion Companies as to operations, the issuance of securities, the preparation of filings arising out of or required by the various federal and state securities, business, public utilities and corporation laws, the selection of executive and administrative personnel, the representation of Dominion Companies before regulatory bodies, proposals for capital expenditures, budgets, financing, acquisition and disposition of properties, expansion of business, rate structures, public relationships and related matters.

5. Business Services. Perform: (i) general business support services (printing, mailing, records management and maintenance, and administrative and office services across the enterprise), (ii) office facilities operation (building maintenance and property management, lease/sublease management, and property sales services across the enterprise),

(iii) security (physical security support, background investigations, and investigative services across the enterprise), (iv) travel (business-related ticketing, itinerary coordination, and reservations for airlines, train, rental cars, and hotels/lodging for Dominion employees), (v) aviation (maintenance, operations, and aviation-related services for corporate-owned aircraft), and (vi) fleet services (fleet systems support, management of the acquisition/disposal function, maintenance functions, and fleet management across the entire enterprise).

6. Supply Chain. Advise and assist Dominion Companies in the procurement of real and personal property, materials, supplies and services, conduct purchase negotiations, prepare procurement agreements and administer programs of material control.

7. Environmental Compliance. Provide consulting, cleanup, environmental permitting, environmental compliance support, biological and chemical services, environmental reporting, and environmental compliance plan preparation as required by Dominion Companies to ensure full compliance with applicable environmental statutes and regulations. Track state and federal environmental regulations. Provide summaries and guidance for Dominion Company personnel to ensure ongoing compliance.

8. Office Space and Equipment. Provide use of land, buildings, furnishings, and equipment, and all costs related to these assets – i.e., property taxes, utilities, and maintenance.

9. Operations. Advise and assist the Service Recipient in the following matters relating to business operations and operational capacity: (i) non-nuclear generation – (a) the provision of generation outage, security, engineering, training, benchmarking, environmental emissions data capture, and decommissioning support services; (b) the provision of planning, engineering, and construction operations services to support Service Recipient's station development projects; (ii) transmission – (a) the preparation and coordination of planning studies, consulting, designing, inspecting and engineering, construction and maintenance support services of electric transmission and substation plant facilities of the Service Recipient; (b) support services related to relay settings and coordination, relay misoperation analysis, relay repair and maintenance, substation and transmission line equipment specifications, electrical equipment repair and maintenance, and general outage coordination support; and (iii) distribution – the provision of metering, safety, training, weather forecasting, design, engineering, planning studies, substation and distribution control equipment installation, field support and operation support services; the planning, formulation and implementation of load retention, load shaping and conservation and efficiency programs, and integrated resource planning for supply-side plans and demand-side management programs. The aforementioned services will be provided subject to federal and state codes and standards of conduct, as applicable.

10. Emergency Services. Provide aid to Service Recipient in the emergency restoration of electric service in the event that service cannot be restored in a safe and timely manner by the personnel of the Service Recipient alone: (i) distribution line restoration; (ii) transmission line restoration; (iii) generation facility restoration; (iv) vegetation management; (v) damage assessment; (vi) substation restoration; (vii) relay (system protection) restoration; and

(viii) other critical maintenance and emergency restoration support services to assist in the safe and timely restoration of electric service.

EXHIBIT II**SERVICES SELECTED**

SERVICE		DEV to receive from DESC	DESC to receive from DEV
1.	Accounting	X	
2.	Information Technology, Electronic Transmission and Computer Services	X	
3.	Nuclear Operations	X	X
4.	Executive and Administrative	X	
5.	Business Services	X	
6.	Supply Chain	X	
7.	Environmental Compliance	X	X
8.	Office Space and Equipment		
9.	Operations – Non-Nuclear Generation	X	X
	Operations – Transmission	X	X
	Operations – Distribution	X	X
10.	Emergency Services	X	X

EXHIBIT III**RULES AND METHODS FOR DETERMINING COSTS OF SERVICE PROVIDER**

The cost of rendering services shall include: (1) a portion of the salaries and wages of employees of Service Provider determined according to the time devoted by such employees to the performance of services under this Agreement for the Service Recipient; provided that, to the extent appropriate and practical, such computations of hourly rates and charges may be determined for groups of employees within reasonable salary ranges; (2) the costs of such employee's benefits, payroll taxes and compensated absences attributable to salaries and wages directly billed, (3) all other out-of-pocket operating costs, including expenses for transportation, tolls and other expenses incurred by Service Provider or its employees in connection with the performance of services under this Agreement, (4) the actual costs of materials and supplies furnished by Service Provider in connection with the performance of services under this Agreement, and (5) administrative and general costs attributable to services performed under this Agreement (which may include reasonable amounts for general office maintenance and depreciation, amortization, and related taxes on Service Provider's general plant investment).

EXHIBIT IV**CONFIDENTIAL SYSTEM OPERATION INFORMATION****1. VEPCO Electric Transmission**

- Financial information/performance
 - O&M budgets, projections, projects
 - Capital budget, projections, projects
- Transmission siting applications
- Encroachment
- Transmission projects, costs and schedules
- Generation interconnections
- Customer information
- Transmission line outages
- Material and supply chain requirements
- NERC compliance
- Labor relations
- Miles, age and condition of transmission lines and substations
- Legal and regulatory
- PJM transmission, generation, ancillary and interconnection
- Transmission protective relay information
- Safety and training
- Substation and protective relay
- Transmission system information for developing cost of service

2. VEPCO Electric Retail and Wholesale Rates and Regulation

- Customer information
- PJM transmission, generation, ancillary, and interconnection
- PJM operational
- Legal and regulatory
- Distribution system information for developing cost of service
- Generation system information for developing cost of service
- Transmission system information for developing cost of service.

3. VEPCO Power Generation and Nuclear Generation

- Financial information/performance
 - O&M budgets, projections, projects
 - Capital budget, projections, projects
- O&M and capital projections and project cost and scope
- Refueling Outage schedules and scopes
- Plant operation conditions, status and projection: kW, kWh, ancillary services
- Outage schedules costs, scopes and status

- Maintenance and service contracts, costs, schedules and status
- Service and material contracts
- Inventory management
- Safety and training
- Plant operating parameters and procedures
- Plant (facility) design drawings and documentation
- Current/Historical/Forecast Fuel supply and specification (for example, Natural Gas, Coal, Oil, Biomass, nuclear)
- Associated fuel contracts, for example, procurement, processing, conversion, enrichment, treatment, handling or transportation.
- Other fuel data, for example:
 - Commercial aspects of transactions; terms and conditions of contracts
 - Transportation/delivery schedules and constraints
 - Market information
 - Operational concerns and constraints
 - Purchasing and hedging strategies
 - Storage and inventory
 - Fuel specifications and product quality
 - Transactional, contractual and systems controls
 - Legal and regulatory
 - Security
- Labor relations
- Emission Reduction Products (for example, limestone and ammonia)
- Equipment specifications, conditions, testing, analysis, manuals and documentation
- FERC, NERC and other compliance
- Environmental data
- Legal and regulatory
- PJM and IMM transmission, generation, ancillary, and interconnection
- Plant and transmission protective relay information
- Insurance Nuclear Project Funding requests
- Nuclear Performance Scorecards
- Radiation dose
- NRC compliance
- Customer Information

4. VEPCO Electric Distribution

Reliability & Planning data, for example

- Financial information/performance
 - O&M budgets, projections, projects
 - Capital budget, projections, projects
- Distribution System Data
- Loading and voltages
 - Substation Transformers, Circuits, Transformers, Services
- Distributed Generation

- O&M and capital projections and project cost and scope
- Maintenance contracts, costs, schedules and status
- Vegetation management
- Design and construction standards
- Materials and supplies
- Safety and training
- Legal and regulatory
- NERC compliance
- Regulatory budgets, projections, projects for strategic underground

Design & Construction data, for example:

- Financial information/performance
 - O&M budgets, projections, projects
 - Capital budget, projections, projects
- Land acquisition and right of way
- Environmental Compliance and Reporting
- Labor Relations
- Vendor Contracts
- Materials and supplies

Operations data, for example:

- Financial information/performance
 - O&M budgets, projections, projects
 - Capital budget, projections, projects
- Real Time Distribution System Data
- Loading and voltages
 - Substation Transformers, Circuits, Transformers, Services
- Distributed Generation
- Technology – Maintenance, Replacements and New Technologies
- Distribution System Data
- Mobile Technology
- Line and equipment outage and communications
- Storm and other damage assessment and restoration
- Legal and regulatory reporting
- Customer information
- Resource availability
- Labor relations
- Sustainability Plans
- Safety and training

5. VEPCO Power Delivery Customer Service

- Customer information

- Resource availability
- Contact Center metrics (both agent and self-service)
- Web self-service metrics
- Vendor agreements and contracts
- Financial information and performance
- System maintenance schedules
- Materials and supplies
- Safety and training
- Legal and regulatory

6. VEPCO Business Development

- Customer information
- Valuation/customer benefit analysis
- Comparison of pricing options
- Agreements/Contracts
- Legal and regulatory
- Load information
- Project Information
- Financial information/performance
 - O&M budgets, projections, projects
 - Capital budget, projections, projects
- Safety and training
- Labor Relations
- Vendor Contracts
- Materials and supplies
- Maintenance schedules